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Department of Defense Instruction

SUBJECT Funding Military Academy Dining Hall Operations

- Refs: (a) Section 422 of Title 37 of the United States Code (37 U.S.C. 422)
(b) Decision of the Comptroller General B-151360, July 30, 1963
(c) DoD 1338.10-M, "Manual for the Department of Defense Food Service Program," June 19, 1972, authorized by DoD Directive 1338.10, January 14, 1972
(d) Armed Services Procurement Regulation (ASPR)
(e) DoD Instruction 1338.17, subject as above, September 18, 1970 (hereby cancelled)

I. PURPOSE

This Instruction establishes a uniform policy for funding the operation of cadet and midshipman dining halls at the Military Academies and prescribes the reporting on the operation thereof.

II. CANCELLATIONS

Reference (e) and Report Control Symbol DD-Comp(A)1050 are hereby superseded and cancelled.

III. APPLICABILITY

The provisions of this Instruction apply to the Military Departments.

IV. AUTHORITY

Cadets and midshipmen are authorized an allowance in lieu of subsistence furnished in kind by Section 422 of Title 37 of the United States Code (reference (a)) as interpreted by the Comptroller General's Decision B-151360 (reference (b)). The Comptroller General stated that ". . . the midshipmen's situation with respect to entitlement to a basic allowance for subsistence more nearly approaches that of officers than enlisted personnel."

V. POLICY AND PROCEDURES

A. General

1. Each Military Department operates a dining hall to provide complete food service support to the

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93-22717

13175

Continuation of V.A.1.

cadets or midshipmen as an integral part of the activities of its Academy.

2. The amount of the subsistence allowance for cadets and midshipmen is prescribed by the Secretary of Defense. The amount so prescribed will be disbursed by the Military Departments from the current Military Personnel Appropriation to a nonappropriated fund at each Academy based on the number of cadets and midshipmen present. Such nonappropriated fund will be used to procure the food and food products necessary to provide subsistence for the cadets and midshipmen. The nonappropriated fund shall not be used for any purpose other than subsistence procurement; all other charges associated with dining service shall be lodged against appropriated funds.
 3. The Superintendent of each Military Academy is authorized to determine who may be authorized to eat in the dining hall and the regulations incident thereto within guidelines issued by the Secretary of the applicable Military Department. Charges for meals furnished to other than cadets and midshipmen will be made for food costs with a separate surcharge for operating expenses. All collections for food costs will be deposited into the nonappropriated fund. The surcharge will be collected and deposited under the same rules that are applicable to appropriated fund food service activities as prescribed by Chapter 7 of the Manual for Department of Defense Food Service Program, DoD 1338.10-M (reference (c)).
 4. The subsistence allowance not earned for any cadet or midshipman on leave or otherwise away from the Academy and not subsisted at Government expense will be credited to his pay account.
 5. The subsistence allowance not earned for any cadet or midshipman on temporary duty and subsistence-in-kind is furnished at the temporary duty location, will not be collected by the nonappropriated fund.
- B. Internal Control and Procurement. Under the policy supervision of the Secretary of the appropriate Military Department, the Superintendent of each Military Academy shall be responsible for:

1338.17
Aug 22, 73.

Continuation of V.B.

1. Assuring the efficient and effective management of the cadet or midshipman dining hall and of the nonappropriated fund for the purchase of subsistence items. In connection with this responsibility the Superintendent shall install an accounting system on an accrual basis that permits an objective, constructive evaluation of such operation.
2. Assuring that the procurement procedures have as an objective the attainment of the same degree of integrity as procurement actions that are in accordance with the requirements of the Armed Services Procurement Regulation (ASPR) (reference (d)). In the event any question arises in regard to the proper procurement procedure, the ASPR will be used as a guide.

VI. REPORTING REQUIREMENTS

- A. An annual report on the operation of the nonappropriated fund will be forwarded to the Assistant Secretary of Defense (Comptroller), Attention: Directorate for Military Personnel, no later than 90 days after the end of the fiscal year. The report will serve as a factor in the annual evaluation of the adequacy of the cadet and midshipman subsistence allowance.
- B. The Annual report will be in three parts, see Formats A, B and C (enclosures 1, 3 and 5). They will be prepared in accordance with the attached Instructions on the Preparation of Formats A, B and C (enclosures 2, 4 and 6).
- C. The reporting requirements prescribed by this Instruction are assigned Report Control Symbol (RCS) DD-Comp(A)1291.

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VII. EFFECTIVE DATE AND IMPLEMENTATION

This Instruction is effective immediately. Two copies of the implementing instructions shall be forwarded to the Assistant Secretary of Defense (Comptroller) within 90 days.



Acting Assistant Secretary of Defense
(Comptroller)

Enclosures - 6

1. Format A
2. Instructions for the Preparation of Format A
3. Format B
4. Instructions for the Preparation of Format B
5. Format C
6. Instructions for the Preparation of Format C

1338.17 (Encl 1)
Aug 22, 73

FORMAT A **ACADEMY**
REPORT OF CADET/MIDSHIPMAN SUBSISTENCE CHARGES
FISCAL YEAR 19____

1338.17 (Encl 2)

Aug 22, 73

INSTRUCTIONS FOR PREPARATION OF
FORMAT A

Report of Cadet/Midshipman Subsistence Charges

I. General

Format A, the Report of Cadet/Midshipman Subsistence Charges during the fiscal year provides a month-by-month analysis of subsistence charges made against the Military Personnel Appropriation for cadet or midshipman subsistence.

II. Heading

The heading of report Format A will be completed to show the reporting Academy (Military, Naval or Air Force) and the fiscal year the report covers. The heading of column (9) will be completed to show the appropriate appropriation abbreviation.

III. Column (1), Cadet/Midshipman Man-Days, Total on Rolls

Report the total man-days of cadets or midshipmen actually assigned to the Academy. That is a tabulation of the number of cadets or midshipmen on the rolls of the Academy for each day during the month, whether or not he is actually present.

IV. Column (2), Cadet/Midshipman Man-Days, Away from Academy and Subsistence-in-Kind Furnished

Report the total man-days of cadets or midshipmen temporarily assigned to a location at which subsistence-in-kind is provided at Government expense. For example, sick in a military hospital or on temporary duty aboard ship or at a military installation for training purposes.

V. Column (3), Cadet/Midshipman Man-Days, Away from Academy and Subsistence-in-Kind Not Furnished

Report the total man-days of cadets or midshipmen temporarily away from the Academy and not subsisted at Government expense. This column is primarily for reporting cadets or midshipmen on leave.

VI. Column (4), Cadet/Midshipman Man-Days Present at Academy

Report the total man-days during the month of cadets or midshipmen actually present at the Academy during the period. Include as present any cadet or midshipman away from the Academy for whom the Academy Dining Hall provides subsistence-in-kind or otherwise provides meals.

1338.17 (Encl 2)
Aug 22, 73

VII. Column (5), Subsistence Rate

Show the subsistence rate authorized for the period by the Secretary of Defense for cadet and midshipman subsistence.

VIII. Column (6), Subsistence Amounts Credited to Pay Accounts

Show the amount charged to the Military Personnel Appropriation during the month and credited to the pay accounts of cadets or midshipmen. This account should be equal to the man-days in column (3) times the rate in column (5). Explain any differences.

IX. Column (7), Subsistence Amounts Paid to Others

Show the amount paid to reimburse others for meals furnished to cadets or midshipmen away from the Academy for training, hospitalization or other authorized purposes. This amount should be equal to the man-days in column (2) times the rate in column (5). Explain any differences.

X. Column (8), Subsistence Amounts Paid to Academy Dining Hall

Report the total amount of liability incurred by the Military Personnel Appropriation payable to the Academy Dining Hall Subsistence Nonappropriated Fund during the month for the subsistence of cadets or midshipmen. This amount should agree with the man-days reported in column (4) times the rate in column (5). Explain any differences. The amount reported will also be shown in column (1) of Format C.

XI. Column (9), Total Charged MP, _____ Appn.

Report in this column the total amount actually charged to the Military Personnel Appropriation. This amount will be the total of columns (6), (7) and (8).

1338.17 (Encl 3)
Aug 22, 73

FORMAT B

Academy Dining Hall
Subsistence Nonappropriated Fund
Monthly Balance Sheet
Fiscal Year 19

1338.17 (Encl 4)
Aug 22, 73

INSTRUCTIONS FOR PREPARATION OF
FORMAT B

Subsistence Nonappropriated Fund
Monthly Balance Sheet

I. General

Format B provides a balance sheet showing the status of the Academy Dining Hall Subsistence Nonappropriated Fund at the end of each month of the fiscal year.

II. Heading

The heading of Format B will be completed to show the reporting academy (Military, Naval or Air Force) and the fiscal year the report covers.

III. Column (1), Cash

Show the total amount of cash on hand and on deposit. Cash will be considered as received when collected and as disbursed when the check is written. It is not necessary to wait until the amounts clear the bank.

IV. Column (2), Accounts Receivable, Ration

Report subsistence allowance earned, but not collected from the Military Personnel Appropriation.

V. Column (3), Accounts Receivable, Other

Show all other amounts due to the Subsistence Nonappropriated Fund. Explain by footnote.

VI. Column (4), Inventory

Show the value of inventory on hand. By footnote indicate the pricing method (cost, cost or market the lower, etc.), the method of tracing the flow of cost (first-in first-out, last-in first-out, weighted average, etc.) and the frequency of physical inventory.

VII. Column (5), Other Assets

Show the cost of any other fund assets. Explain by footnote.

1338.17 (Encl 4)
Aug 22, 73

VIII. Column (6), Total Assets

This column is the total of columns (1), (2), (3), (4) and (5). It will agree with column (12).

IX. Column (7), Accounts Payable, Subsistence

Report the balances owed to suppliers of subsistence items.

X. Column (8), Accounts Payable, Other

Report any other amounts due to others as a result of operation of the Academy Dining Hall. Explain by footnote.

XI. Column (9), Other Liabilities

Report any other liabilities of the nonappropriated fund. Explain by footnote.

XII. Column (10), Total Liabilities

Show the total amount owed by the fund. The amount will equal the total of columns (7), (8) and (9).

XIII. Column (11), Cadet or Midshipmen Equity

Show the amount reported in column (6) minus the total of column (10). The amount will equal the equity at the beginning of the period plus or minus the Change in Fund Equity for the period (Column (11), Format C).

XIV. Column (12), Total Liability and Equity

This amount is the total of columns (10) and (11). It will agree with column (6).

1338.17 (Encl 5)
Aug 22, 73.

FORMAT C

Academy Dining Hall
Subsistence Nonappropriated Fund
Operating Statement
Fiscal Year 19

1338.17 (Enc1 6)
Aug 22, 73

INSTRUCTIONS FOR PREPARATION OF
FORMAT C

Subsistence Nonappropriated Fund
Operating Statement

I. General

Format C provides a statement of results of operations by month of the Academy Dining Hall Subsistence Nonappropriated Fund.

II. Heading

The heading of report Format C will be completed to show the reporting Academy (Military, Naval or Air Force) and the fiscal year the report covers.

III. Column (1), Subsistence Earned

Show the amount earned by the Academy Dining Hall Subsistence Nonappropriated Fund during the month for the subsistence of cadets or midshipmen. The amount shown will agree with column (8) of Format A.

IV. Column (2), Sales, Food as Meals

Report only the amounts charged for food served to anyone other than cadets or midshipmen enrolled in the Academy. Any amounts collected for the feeding of cadets or midshipmen of one of the other Academies or for others authorized to eat in the Academy Nonappropriated Fund Mess, whether paid by an appropriated or other fund or by the individual concerned will be reported in this column. Only that portion of the charge that was made to reimburse the nonappropriated fund for food costs will be included. Any surcharge collected will be excluded from this report.

V. Column (3), Sales, Raw Food

Report amounts charged for the cost of subsistence items sold to authorized purchasers. This excludes subsistence items furnished for preparation at another location for feeding cadets or midshipmen, for example, cadets or midshipmen away from the academy and fed by a field kitchen operation. It would include subsistence items furnished to the Superintendent of the Academy for an official reception. Any amounts charged in excess of cost of the subsistence items will be treated as a surcharge and excluded from this report.

1338.17 (Encl 6)
Aug 22, 73

VI. Column (4), Other Income

Include in this column any income not reported elsewhere. For example, a gift of class funds by a graduating class. Explain all transactions fully by footnote.

VII. Column (5), Total Income

Report the total gross income received. This amount will agree with the total of columns (1), (2), (3) and (4).

VIII. Column (6), Subsistence Items Procured

Report the actual cost less any discounts received of all subsistence items delivered during the reporting period whether or not payment has been made.

IX. Column (7), Meals Procured

Report the actual cost paid to others for meals furnished to cadets or midshipmen away from the Academy, other than subsistence-in-kind provided by a Government facility. Show by footnote the total number of such meals for the year.

X. Column (8), Change in Inventory

Report the difference ((-) increase, (+) decrease) between the amount reported as the Inventory of Subsistence Items (Column (4), Format B) at the end of the previous period and the amount reported as the Inventory for the reporting period.

XI. Column (9), Other Expense

Report in this column any expense item not reported elsewhere. Explain all transactions fully by footnote.

XII. Column (10), Total Cost

Show the total costs incurred for the reporting period. The amount will equal the totals of columns (6), (7), (8) and (9).

XIII. Column (11), Change in Fund Equity

Show the excess of Total Income (Column (5)) over Total Cost (Column (10)) or the excess of Total Cost over Total Income. If costs exceeded the income for the reporting period, show a minus sign (-) preceding the amount. The amount shown in this column reflects the net results of operation of the Academy Dining Hall Nonappropriated Fund for the period.